



NATIONAL ENDOWMENT FOR THE

Humanities

OFFICE OF **CHALLENGE GRANTS**

## **CHALLENGE GRANTS**

Deadline: May 2, 2012

Catalog of Federal Domestic Assistance (CFDA) Number: 45.130

[GRANTS.GOV](http://grants.gov) SHUTDOWN ON APRIL 28 AND 29: The Grants.gov website will be out of service on Saturday and Sunday, April 28 and 29, 2012, due to planned maintenance. On those days you will not be able to register for an account with Grants.gov, download the application package, submit an application, or request help from Grants.gov staff.

Please note that the application deadline remains Tuesday, May 2.

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### **Items referred to in this document needed to complete your application:**

- ☐ Grants.gov application package and instructions

Also see the **application checklist** at the end of this document.

### **Questions?**

Contact the staff of NEH's Office of Challenge Grants at 202-606-8309 or at [challenge@neh.gov](mailto:challenge@neh.gov). Hearing-impaired applicants can contact NEH via TDD at 1-866-372-2930.

## Letters of intent and draft proposals

Program staff recommends that prospective applicants submit a letter of intent to apply six to eight weeks before the application deadline and a draft proposal four to six weeks before the deadline. Neither is required, but many prospective applicants find that staff advice can significantly improve the strength of an application.

## Type of award

Successful applicants will be offered a matching grant. Recipients must raise three times the amount of federal funds offered, except for Historically Black Colleges and Universities (HBCU), Tribal Colleges and Universities, and two-year colleges. These three types of institutions are required to raise only two times the amount of federal funds offered.

## Submission via Grants.gov

**All applications to this program must be submitted via Grants.gov.** We strongly recommend that you complete or verify your registration at least two weeks before the application deadline, as it takes time for your registration to be processed.

## I. Program Description

NEH challenge grants are capacity-building grants, intended to help institutions and organizations secure long-term improvements in and support for their humanities programs and resources. Through these awards, many organizations and institutions have been able to increase their humanities capacity and secure the permanent support of an endowment. Grants may be used to establish or enhance endowments or spend-down funds that generate expendable earnings to support ongoing program activities. Challenge grants may also provide capital directly supporting the procurement of long-lasting objects, such as acquisitions for archives and collections, the purchase of equipment, and the construction or renovation of facilities needed for humanities activities. Funds spent directly must be shown to bring long-term benefits to the institution and to the humanities more broadly. Grantee institutions may also expend up to 10 percent of grant funds to defray costs of fundraising to meet the NEH challenge.

Because of the matching requirement, these NEH grants also strengthen the humanities by encouraging nonfederal sources of support. Applications are welcome from colleges and universities, museums, public libraries, research institutions, historical societies and historic sites, scholarly associations, state humanities councils, and other nonprofit entities. Programs that involve collaboration among multiple institutions are eligible as well, but one institution must serve as the lead agent and formal applicant of record.

## **Activities supported**

Challenge grant funds (both federal and nonfederal together) must provide long-term benefits to the humanities. Challenge grant funds should not merely replace funds already being expended on the humanities, but instead should reflect careful strategic planning to strengthen the institution's humanities activities and commitment to the advancement of knowledge and understanding of the humanities.

Institutions may use challenge grant funds to meet both ongoing and one-time humanities-related costs, provided that the long-term benefit of the expenditure can be demonstrated. Award recipients might use federal challenge grant funds, as well as funds raised for matching, for purposes such as the following:

Through the income from endowments or spend-down funds, grantees could use challenge grant funds to support

- faculty and staff salaries and benefits;
- acquisitions for collections;
- faculty, teacher, and staff development;
- research fellowships;
- lecture or exhibition series;
- visiting scholars or consultants;
- publishing subventions; and
- preservation and conservation programs.

Through direct expenditure, grantees could use challenge grant funds to support

- capital expenditures, such as the purchase, construction, or renovation of facilities;
- acquisitions for collections;
- the purchase of equipment and software; and
- fundraising costs (totaling no more than 10 percent of challenge grant funds).

## **Expenditures not eligible for support**

Challenge grant funds, federal or nonfederal, may not be used for

- one-time or operating expenditures with minimal long-term impact;
- recovery of indirect costs;
- support for projects eligible for short-term grants from other NEH programs;
- scholarships or stipends for students below the graduate level; or
- programs or facilities designed for activities outside the scope of the humanities, such as the creation of art works, the performing arts, science education, non-humanistic aspects of the social sciences, or public policy advocacy. A proposal for a "Center for the Arts,"

for example, must clearly demonstrate how the facility serves the humanities. Components of projects that deal with the visual or performing arts are eligible for NEH challenge grant funding only if they enhance the interpretation or analysis of the artistic form in question, using critical, historical, theoretical, or other humanities-oriented perspectives.

### **Mode of expenditure**

The financial arrangement by which challenge grant funds are expended should be appropriate to the nature of the humanities-related costs and the long-term impact of the expenditure. Funds may be

- invested in permanent endowments, the income from which supports ongoing and recurring costs such as salaries, honoraria for visiting scholars, fellowships, and maintenance;
- spent directly on one-time capital costs for items that have inherent longevity, such as facilities (new construction or renovation), equipment, and acquisitions; or
- combined in “spend-down” funds that are invested, with both the income and the principal expended over a defined period of years (no less than ten years, no more than twenty-five years). Spend-down funds are particularly appropriate for programs that are long-term but not permanent.

### **Special encouragement**

In accordance with Executive Order 13532 on Historically Black Colleges and Universities (HBCUs) and Executive Order 13592 on Tribal Colleges and Universities, NEH especially welcomes challenge grant applications from these institutions. NEH also welcomes applications from two-year colleges. Potential applicants from these institutions are urged to discuss with program staff ways in which challenge grant funding can help them meet their institutions’ particular needs and capacities in the humanities. Note also that NEH is conducting a Challenge Grants Special Initiative for Two-year Colleges. Applications for this initiative are submitted at a February deadline. Further information is available [here](#).

Certain requirements of regular challenge grants are modified for HBCUs, Tribal Colleges and Universities, and two-year colleges. The required matching ratio is two-to-one (instead of three-to-one), and the schedule for meeting the required match may be spread over six years instead of five.

NEH welcomes proposals that respond to NEH’s [Bridging Cultures](#) initiative. Such projects could focus on cultures internationally or within the United States. International programs might seek to enlarge Americans’ understanding of other places and times, as well as other perspectives and intellectual traditions. American programs might explore the great variety of cultural influences on, and myriad subcultures within, American society. These programs might also investigate how Americans have approached and attempted to surmount seemingly unbridgeable cultural divides, or examine the ideals of civility and civic discourse that have informed this quest.

All applications will be given equal consideration in accordance with the program's evaluation criteria, whether or not they respond to the *Bridging Cultures* initiative.

NEH also welcomes plans to strengthen the technological infrastructure of humanities institutions, thereby enhancing the applicant institution's ability to make use of new technologies in research, education, preservation, and public programming in the humanities. Such plans can be supported through challenge grants. Challenge grant funds may be used, for example, to purchase equipment and software, renovate computing centers devoted to the humanities, and purchase databases. Challenge grants can support maintenance and upgrades of equipment, software, and data; licensing fees; salaries of technical staff; faculty and staff training in uses of digital technology; and other ongoing expenses associated with uses of digital technology in the humanities.

## II. Award Information

NEH will offer successful applicants a matching grant. The requested grant amount should be appropriate to the humanities needs and the fundraising capacity of the institution. The federal portions of NEH challenge grants have ranged in recent years from \$30,000 to \$1 million, the maximum amount that may be requested. Requests over \$500,000, however, are unlikely to be funded at the requested level, and in recent years the maximum grant has ranged between \$425,000 and \$500,000. Applicants wishing to apply for a grant of more than \$500,000 should consult with NEH staff about the size of their requests. Smaller grants for sharply defined purposes are encouraged.

### Fundraising

NEH challenge grants assist institutions in developing sources of support for humanities programs, and fundraising is an integral part of the long-term planning required by the program. Persons raising the funds and those who will be directly responsible for the humanities programs should be fully involved in the planning from the outset. Grant recipients must raise, from nonfederal donors, three times the amount of federal funds offered. (HBCUs, Tribal Colleges and Universities, and two-year colleges, however, are required to raise only two times the federal amount.)

### Release of federal funds

All federal challenge grant funds are matching funds. The federal portion of a challenge grant is typically offered over four years, but the grantee may take up to sixty-eight months to raise funds for matching. NEH releases federal funds according to a pattern that allows donations from as early as five months prior to the application deadline and can include donations from as late as one year beyond the last-released federal funds. Funds are released in the first three years when completely matched according to the required amount. The fourth year's installment allows the release of the federal funds when matched one-to-one, with the remaining parts of the match to be raised in the final year, so as to allow time at the end of the grant to finish the match and collect outstanding pledges.

The following chart illustrates a typical match and release schedule:

### Sample match and release schedule for a regular challenge grant

EXAMPLE ONLY: NEH Challenge offer of \$300,000, with a three-to-one matching ratio

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
NEH funds (federal) offered	\$25,000	\$100,000	\$100,000	\$75,000	n/a	\$300,000
Nonfederal funds to be raised	\$75,000	\$300,000	\$300,000	\$75,000	\$150,000	\$900,000
Total grant funds (federal + nonfederal)	\$100,000	\$400,000	\$400,000	\$150,000	\$150,000	\$1,200,000

Variations on a typical match and release schedule are possible, and applicants should discuss with NEH staff the schedule that best reflects the institution's plans and fundraising capacity. NEH, however, makes the final determination of the match and release schedule.

With a matching ratio of two-to-one, HBCUs, Tribal Colleges and Universities, and two-year colleges follow a match and release schedule that differs from that of regular challenge grants. The federal portion of a challenge grant is offered over four years of funding, as with regular challenge grants, but HBCU, Tribal College and University, and two-year college grantees may take up to eighty months to raise funds for matching. NEH releases federal funds according to a pattern that allows donations from as early as five months prior to the application deadline and can include donations from as late as two years beyond the date when federal funds were last released. Funds are released in the first three years of the grant when completely matched according to the required two-to-one ratio. The fourth year's installment allows the release of federal funds when matched one-to-one, with the remaining parts of the two-to-one match to be raised in the final two years, so as to allow extra time to finish the match and collect outstanding pledges. The following chart illustrates a typical match and release schedule for these three sorts of institutions:

### Sample match and release schedule for a challenge grant to an HBCU, Tribal College or University, or two-year college

EXAMPLE ONLY: NEH Challenge offer of \$300,000, with a two-to-one matching ratio

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
NEH funds (federal) offered	\$25,000	\$100,000	\$100,000	\$75,000	n/a	n/a	\$300,000
Nonfederal funds to be raised	\$50,000	\$200,000	\$200,000	\$75,000	\$0	\$75,000	\$600,000
Total grant funds (federal +	\$75,000	\$300,000	\$300,000	\$150,000	\$0	\$75,000	\$900,000

nonfederal)

The grant period for all challenge grants begins five months before the application deadline, and the grant period for most challenge grants ends sixty-eight months later. Thus the grant period for applications submitted at the May 2012 deadline begins December 1, 2011, and ends July 31, 2017. (Grants to HBCUs, Tribal Colleges and Universities, and two-year colleges would end July 31, 2018.)

Applicants who, unsuccessful at one deadline, revise and resubmit their applications one year later may use the same starting date in the resubmission as in the original submission. Such applicants may thereby extend the fundraising period by twelve months. In this way applicants are enabled to keep faith with donors whose gifts have been solicited in anticipation of a challenge grant. If the resubmitted application is not successful, however, such an extension is unavailable for subsequent submissions.

### **Eligibility of gifts**

To be eligible for matching, gifts may not derive from the grantee institution itself. It is inappropriate for an institution to shift internal budgets or reallocate internal funds for matching purposes. All matching pledges and gifts must be new, that is, given (and pledges made and fulfilled) during the challenge grant period. The majority of gifts eligible for matching must be *restricted*—that is, donations made explicitly in response to or in anticipation of the challenge grant. Donors of *restricted* gifts must be aware that their gifts will be used to fulfill the match of an NEH challenge grant and that their gifts will be used to support the purposes outlined in the approved challenge grant application. *Unrestricted* gifts—that is, gifts donated without limitations on their use—may be eligible for matching, but the gifts must originally have been given within the grant period, and the total of such unrestricted gifts may not exceed the federal portion of the challenge grant. Some types of gifts, such as real estate, earned income, planned giving, and in-kind gifts, are subject to special limitations. Discounts on contracted goods and services, as well as contributions from federal sources, are not eligible for matching.

**NOTE:** More detailed information on eligible gifts and the mechanics of challenge grant administration can be found in the booklet [Administration of NEH Challenge Grants](#), which may be obtained from NEH's website, the NEH Office of Grant Management, or the NEH Office of Challenge Grants. Program staff strongly encourages applicants to consult this booklet if they plan to solicit and collect eligible matching gifts in anticipation of receiving an NEH challenge grant.

## **III. Eligibility**

With the exception of elementary and secondary schools (public or private) and school districts, any U.S. nonprofit institution (public agency, private nonprofit organization, federally recognized Indian tribal government) working wholly or in part with the humanities may apply for a challenge grant. Affiliated institutions (for example, a university museum) should consult

with NEH staff on questions of separate eligibility. Institutions that support research, education, preservation, and public programming in humanities disciplines are eligible to apply for an NEH challenge grant.

NEH generally does not award grants to other federal entities or to applicants whose projects are so closely intertwined with a federal entity that the project takes on characteristics of the federal entity's own authorized activities. This does not preclude applicants from using grant funds from, or sites and materials controlled by, other federal entities in their projects.

Institutions may apply for only one NEH challenge grant in a calendar year. An institution is eligible to apply for a subsequent challenge grant beginning in the third year after the closing date of its most recent NEH challenge grant. For example, if a grant closed in 2011, the institution that received the grant could not apply for a subsequent challenge grant until 2014.

NEH will not review late or ineligible applications.

## IV. Application and Submission Information

### Application advice: letters of intent and draft proposals

Prior to submitting a proposal, applicants are encouraged to contact program officers who can offer advice about preparing the proposal, supply samples of funded applications, and review draft proposals. Such advice is available in two stages of the application process: first, prospective applicants are urged to submit a *letter of intent to apply* for a challenge grant; second, the letter of intent should be followed by a *preliminary draft* of the full narrative section of the application, the budget, and a list identifying the persons who will write letters of support. Staff comments on letters of intent (if needed) or on draft proposals are not part of the formal review process and have no bearing on the final outcome of the application, but previous applicants have found them helpful in strengthening their applications. Although neither letters of intent nor draft proposals are required, potential applicants are strongly encouraged to take advantage of this preliminary review. An institution may, however, apply for a challenge grant without submitting either a letter of intent or a preliminary draft of its proposal.

Letters of intent should be submitted no later than six weeks (ideally sooner) prior to the application deadline. The letter should not exceed two pages, and it should briefly describe the proposed project, especially its humanities content. The letter should also identify scholars (faculty or staff of the applicant institution and outside experts in the subject matter of the application) who will be involved in the planning for the challenge grant. Besides giving staff useful information about the institutions that are planning to apply, the letter of intent provides an opportunity for program staff to offer advice early on in the application process.

More importantly, prospective applicants should submit preliminary draft proposals four to six weeks before the application deadline. (Although staff will make every effort to review all drafts submitted, time constraints may prevent thorough review of late drafts.) The preliminary draft should include the full narrative section of the application, the budget, and a list identifying the persons who will be writing letters of support. Drafts should not be submitted through Grants.gov, but directly to NEH by email attachment (the preferred method) to [challenge@neh.gov](mailto:challenge@neh.gov), fax (202-606-8579), or overnight mail (Office of Challenge Grants, National



Endowment for the Humanities, Room 420, 1100 Pennsylvania Avenue N.W., Washington, D.C. 20506, 202-606-8309).

## HOW TO PREPARE YOUR APPLICATION

You will prepare your application for submission via Grants.gov just as you would a paper application. Your application should consist of the following parts.

### 1. Table of contents

List all parts of the application, with page numbers. Please use one set of page numbers for the entire document, including the appendices.

### 2. Abstract

Summarize the proposal, including the activities to be supported and the plans for raising funds for matching. Applicants should describe the significance to the humanities of what they are proposing. This summary may be single-spaced but should not exceed one page.

### 3. Challenge grant budget

Do **not** use the standard NEH budget form. Instead, provide an itemized one- or two-page budget describing all challenge grant funds and indicate

- the portions of the total NEH funds being requested in years 1, 2, 3, and 4 of the grant period; and
- how all challenge grant funds—federal and nonfederal combined—will be expended.

For purposes of expenditure, there is no distinction between federal funds and nonfederal donations. Even if part of a larger campaign, the challenge grant budget should be limited to requested NEH funds plus the minimum required nonfederal funds. Planned annual expenditures from endowment or spend-down yield should be broken down by specific cost categories. Challenge grants do not include indirect cost recovery.

Direct funds may be used only for capital expenditures and for fundraising costs (up to 10 percent of total grant funds). Operating and program expenses may be paid for only with income from an endowment or a spend-down fund.

The budget should clearly indicate what the expenditures are for, and the proposal narrative should provide detailed information about these expenditures and should justify the amounts allotted to the various items in terms of the plans for the humanities.

In the following **sample** budgets, three modes of expenditure are included for purposes of illustration only; applicants should propose only the mode or modes of expenditure appropriate to their planned humanities activities.

**Sample challenge grant budget: all figures and categories of expenditure are for illustrative purposes only.**

Total NEH funds requested:		\$300,000
Year 1:	\$25,000	
Year 2:	\$100,000	
Year 3:	\$100,000	
Year 4:	\$75,000	

Total nonfederal contributions	\$900,000
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Total Grant Funds (NEH plus Match)	\$1,200,000
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**Planned Expenditures:**

**Direct**

Renovation (include details of the planned renovation)	\$200,000
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**Endowed**

Principal	\$750,000
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Rate of return to be expended	5%
Projected annual expendable income	\$37,500
Uses of endowment income (list all)	\$37,500
Staff salaries	\$25,000
Stipends for visiting scholars	\$9,500
Lecture series expenses	\$3,000

**Combined (spend-down fund)**

Principal	\$250,000
Rate of return to be expended	5%
Number of years	10
Annual expenditure (income + principal)	\$32,376
Uses of spend-down funds (list all)	
Training workshops in digital humanities	\$25,000
Software and equipment	\$7,376

**Sample challenge grant budget for applications submitted by an HBCU, Tribal College or University, or two-year college: all figures and categories of expenditure are for illustrative purposes only.**

Total NEH funds requested:		\$300,000
Year 1:	\$70,000	
Year 2:	\$80,000	
Year 3:	\$80,000	
Year 4:	\$70,000	

Total nonfederal contributions	\$600,000
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Total Grant Funds (NEH plus Match)		\$900,000
<b>Planned Expenditures:</b>		
<b>Direct</b>		
Renovation (include details of the planned renovation)		\$200,000
<b>Endowed</b>		
Principal		\$450,000
Rate of expendable return		5%
Projected annual expendable income		\$22,500
Uses of endowment income (list all)		\$22,500
Staff salaries	\$15,000	
Stipends for visiting scholars	\$5,000	
Lecture series expenses	\$2,500	
<b>Combined (spend-down fund)</b>		
Principal		\$250,000
Rate of expendable return		5%
Number of years		10
Annual expenditure (income + principal)		\$32,376
Uses of spend-down funds (list all)		
Training workshops in digital humanities	\$25,000	
Software and equipment	\$7,376	

## BUDGETARY NOTES

### NEH policy on endowments

Endowments created with NEH challenge grants are permanent and should be reported as permanent on [IRS Form 990, Schedule D](#), Part V. Endowments created with NEH challenge grants are restricted to the uses defined in the challenge grant budget as approved. Changes in the purpose of the endowment may be made only in consultation with NEH. NEH is guided by Section 6 of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) in assessing proposed changes in purpose. (For the text of Section 6 of UPMIFA, see [Administration of NEH Challenge Grants](#).)

### Calculating a “spend-down” fund

The amount needed for a spend-down fund depends upon the projected rate of return on investment, the length of the fund’s existence, and the amount to be spent each year. The duration of a spend-down fund should be at least ten years but not more than twenty-five years.

The amount needed can be calculated using a tool, such as the PV financial function in Microsoft Excel, that calculates the “present value” of funds needed to allow the desired expenditure over the specified number of future years. To calculate the expendable annual income over the life of the fund, use Excel’s PMT financial function.

### **OMB Circular A-133 audits**

An endowment fund created with an NEH challenge grant may subject the grantee institution to the requirement of an annual Office of Management and Budget Circular A-133 audit. Whether an A-133 audit is required depends on the amount of federal funds expended in any year, and on the use to which the federal money is put. The basic rule is that receipt or possession of \$500,000 or more in federal grant funds in any year may result in an A-133 audit requirement that year. If a challenge grant supports direct expenditures (such as for a construction project), an A-133 audit would be required only in the year(s) in which the grantee expends \$500,000 or more in federal funds. If, however, the challenge grant creates an endowment fund, the government counts the federal portion of the endowment as an expenditure of federal funds that triggers an A-133 audit requirement **each year**. That is, an endowment that includes \$500,000 or more in federal funds will trigger an A-133 audit requirement in every year of the endowment’s existence.

### **Special requirements for renovation and construction projects**

#### **Wage rates for renovation and construction**

Institutions using NEH challenge grant funds, federal or nonfederal, for renovation and construction projects must comply with the [Davis-Bacon Act](#). If the challenge grant includes support for any part of a construction or renovation project, the entire project is subject to Davis-Bacon requirements, and applicants must take into account the effect of the Davis-Bacon Act on costs. For purposes of compliance with the [Davis-Bacon Act](#), there is no distinction between federal funds and nonfederal donations raised for matching. Additional information is available [here](#).

#### **Section 106 review process and letter from the State Historic Preservation Office**

Applicants requesting support for the construction of a free-standing structure, for building renovations, or for additions to buildings of any age are required to consult with their state historic preservation officer (SHPO) *before* construction or renovation begins, to determine if a property or site is listed, or is eligible for listing, in the National Register of Historic Places. The SHPO’s eligibility determination should be included in an appendix to the application. If a property is eligible for or listed in the National Register, the applicant should, if possible, also include in an appendix to the application the SHPO’s written comments as to the effect of the project on the building or site, in accordance with the guidelines set forth in the Secretary of the Interior’s [Standards for the Treatment of Historic Properties](#). Construction of new facilities requires evidence of an archaeological survey.

Additionally, applicants who receive NEH challenge grant funds for renovation and construction projects on property or sites listed, or eligible for listing, in the National Register of Historic Places must provide NEH with assistance in carrying out its responsibilities under Section 106 of the National Historic Preservation Act, 16 U.S.C. Section 470f, as amended. For all funded renovation or construction projects, Section 106 requires NEH to conduct a review to determine whether historic properties will be affected. If the renovation or new construction will affect historic properties adversely, Section 106 requires that NEH consult with the SHPO and the applicant to avoid, minimize, or mitigate the adverse effect.

The Section 106 review process begins once NEH makes a decision to offer funding for an application for renovation and construction projects on property or sites listed, or eligible for listing, in the National Register of Historic Places. If such an application is selected for funding, the NEH Federal Preservation Officer will contact the applicant with a request for any additional information about the project that might be needed for Section 106 review. Once this information is received, NEH will conduct a review and determine whether further action is needed in order to comply with Section 106. While the duration of the Section 106 review process varies for each project, applicants should be aware that the process can be lengthy. However, applicants can minimize the length of the review process by familiarizing themselves with Section 106 and by submitting required documentation with the Challenge Grant application. NEH is not permitted to release any grant funds until the Section 106 review has concluded. Applicants that begin construction before the completion of NEH's review may jeopardize or delay the receipt of federal funds for their project.

For more information on the Section 106 review process, the required documentation, and the responsibilities of an applicant prior to and during the Section 106 review, please read the [Section 106 FAQs](#), or contact the NEH Federal Preservation Officer by e-mail at [FPO@neh.gov](mailto:FPO@neh.gov), by phone at 202-606-8309, or by mail sent to Federal Preservation Officer, Office of Challenge Grants, National Endowment for the Humanities, Room 420, 1100 Pennsylvania Ave. N.W., Washington, D.C. 20506.

Applicants should indicate in the narrative their awareness of and plans to meet the special requirements for renovation and construction projects.

#### **4. Institutional fact summary**

For applications involving multiple institutional partners, only the applicant of record must provide an institutional fact summary. Partner institutions, however, may also submit fact summaries to document their institutional character and humanities capacities.

Provide the following in an outline limited to one page:

- Relevant facts and statistics about the institution or organization, such as its
  - history;
  - mission;
  - governance and administration;
  - physical facilities;

- humanities staff size and composition (including the percentage of all staff who are in the humanities);
- humanities collections (including the percentage of all collections that are in the humanities); and
- accreditation or affiliation (if applicable).
- Data on recent humanities activities, such as the
  - types and numbers of enrollments, programs, exhibitions, courses, and degrees awarded in the past two years;
  - percentage of total offerings that are in the humanities;
  - size and nature of audience or population served;
  - cost to participants (if any);
  - number of publications produced (if applicable); and
  - evidence for the success of these humanities activities.

## 5. Financial summary

Include a one or two-page summary of the applicant institution's finances. Please refer to the [Challenge Grants Sample Financial Summary Form](#) for a suggested format. Where the application concerns a sub-unit of a larger whole (for example, a library on a university campus), include summaries for both the larger and smaller units. The purpose of the summary is to give a clear picture of the financial status of the institution during the most recent three-year period. Information should be provided about annual operating budgets, exclusive of capital campaigns or other special income and exclusive of current or recent capital project expenditures. Figures should be compatible with figures cited elsewhere in the proposal. *Applicants should explain significant operating surpluses or deficits in accompanying notes.*

## 6. Narrative

Narrative descriptions are limited to **twenty-five double-spaced pages**. The font size should be no smaller than eleven-point. All pages should have at least one-inch margins, be collated, and numbered consecutively throughout. Statistical and other supporting materials may be relegated to appendices. The narrative should provide a clear, logical, and concise description of the activities that the challenge grant will support.

In the narrative, the applicant should do the following:

- Describe the **significance and intellectual quality** of the humanities activities, programs, and holdings that the challenge grant would support. Explain why these activities are important, and to whom. Describe or provide evidence of the quality of the humanities activities to be supported, such as letters from outside experts in the field or reviews of the activities.
- Describe the institution's **long-range plans** for advancing and/or disseminating humanistic knowledge. Explain how the institution,

through its mission, personnel, governance, facilities, and resources, is capable of sustaining outstanding humanities activities. Identify any collaborators or partners and provide evidence, such as letters of support, of institutional commitment to the long-range plans and the challenge grant.

- Discuss the **impact** of the challenge grant. Explain how grant funds will strengthen and improve knowledge and understanding of the humanities. Explain how the NEH challenge grant will sustain and enhance significant humanities activities over the long term. Delineate clearly and in detail the planned challenge grant expenditures (federal and nonfederal combined). Provide a plan for assessing, in both qualitative and quantitative terms as appropriate, the impact of the grant.
- Describe the **plans for raising funds** to meet the NEH matching requirement. Offer evidence of long-term financial stability at the institution. Explain how the institution's resources, leadership, staff, and experience will enable it to conduct a successful campaign. Give details of the fundraising strategy; explain its feasibility and how it will broaden the base of institutional support.

Applicants should also briefly describe any recent NEH or state humanities council grants received by the institution, as well as any pending NEH applications related to the activities that the challenge grant would support. If the applicant holds or is currently applying for any NEH grants that include a matching component, these must be described (including the amount of the match) in the section of the narrative that discusses the feasibility of fundraising.

**NOTE:** Applicants who have held prior NEH challenge grants must describe and assess the impact of their prior award(s), especially in cases where the new grant would support humanities activities similar to those supported by the prior grant(s).

#### 7. **Lists of trustees and staff**

Provide a list of the institution's board of governors or trustees with their professional affiliations and a list of staff and faculty members principally involved with the challenge grant, indicating their professional qualifications.

#### 8. **Résumés**

The project director is the person primarily responsible for implementing the humanities activities described in the narrative proposal. Attach a two-page version of this person's résumé as an appendix to the application. Résumés or job descriptions for any position being supported by the challenge grant should also be attached.

#### 9. **Letters of support**

Include in an appendix letters of commitment or support from appropriate institutional officials, confirming the institution's commitment to the humanities activities and to meeting the NEH challenge. Other letters of support, such as from partners, scholars in

the field, staff involved in carrying out the humanities activities, and participants in or beneficiaries of the humanities activities, should be included as appropriate.

#### 10. **Optional appendices**

Copies of printed brochures, flyers, or other descriptive materials may be included and referred to in the text of the narrative. For projects involving Section 106, please also include (if possible) the SHPO's determination and letter.

Single copies of bulky ancillary materials, such as catalogs, journals, or books, may also be submitted but are neither required nor encouraged. See "How to Submit Supplementary Materials," below.

### **How to Submit your Application**

The application must be submitted to Grants.gov. Links to the Grants.gov application package and instructions for preparing and submitting the package can be found on the [program resource page](#).

### **How to Submit Supplementary Materials**

If you are sending supplementary materials, please include in your Grants.gov submission a list of the materials to be sent separately. Send the materials to:

Office of Challenge Grants  
National Endowment for the Humanities  
Room 420  
1100 Pennsylvania Avenue, NW  
Washington, DC 20506  
202-606-8309

Clearly indicate the name of your institution on the envelope.

Supplementary materials should be sent by a commercial delivery service to ensure that they arrive by the receipt deadline. NEH continues to experience lengthy delays in the delivery of mail by the U.S. Postal Service.

If you wish to have the materials returned to you, please include a self-addressed, pre-paid mailer.

### **Deadlines**

**Letters of intent and draft proposals (optional):** The staff recommends that letters of intent be submitted six to eight weeks before the application deadline, and that draft proposals be submitted four to six weeks before the application deadline, if not earlier. Staff may not be able to review drafts submitted closer to the deadline. Draft proposals may be submitted by e-



mail attachment ([challenge@neh.gov](mailto:challenge@neh.gov)), fax (202-606-8579), or overnight mail (Office of Challenge Grants, NEH Room 420, 1100 Pennsylvania Avenue, N.W., Washington, D.C. 20506, 202-606-8309).

**Applications must be received by Grants.gov by May 2, 2012.** Grants.gov will date- and time-stamp your application after it is fully uploaded. Applications submitted after that date will not be accepted. **Supplementary materials must also arrive at NEH by the deadline, that is, May 2, 2012, to be considered as part of the application.**

### Challenge grants timetable

<i>December 1, 2011</i>	Date prior to the May 2012 deadline from which advance fundraising may count toward the matching requirement.
<i>Six to eight weeks before the application deadline</i>	Target date for submission of letters of intent to apply for an NEH challenge grant.
<i>Four to six weeks before the application deadline</i>	Target date for submission of draft proposals for comment by NEH staff.
<i>May 2, 2012</i>	Receipt deadline for applications.
<i>December 2012</i>	Notification of awards.
<i>July 31</i>	Annual date after notification by which the grantee must submit certification of the gifts required to claim each year's installment of federal funds.

## V. Application Review

Applications are evaluated according to the four criteria listed below.

1. **The significance of humanities activities**

What is the evidence that the current and planned activities—particularly those that will be affected by the challenge grant—are significant and that their intellectual quality is high? Why are these activities important, and to whom?

2. **The appropriateness of resources and plans**

What evidence is there of realistic long-range institutional planning to advance and/or disseminate humanistic knowledge? Is the institution, through its mission, personnel, governance, facilities, and resources, capable of sustaining outstanding activities in the humanities? What evidence (such as letters of support) is there of sufficient institutional and community commitment to the long-range plans?

3. **The impact of challenge grant funds**

What impact will grant funds have on strengthening and improving the understanding of the humanities? How will the NEH challenge grant sustain and enhance significant humanities activities over the long term? Is the mode of expenditure (endowment, direct, combined) appropriate to the humanities-related costs and to the nature of the activities to be supported? Are the planned challenge grant expenditures (federal and nonfederal combined) described clearly and in detail? How will the institution assess the impact of the challenge grant?

4. **The feasibility of fundraising**

Does the institution provide evidence or promise of long-term financial stability? What are the applicant's resources, leadership, staff, and experience for conducting a successful campaign to meet the NEH matching requirement? What evidence does the applicant offer that the fundraising plan is feasible? Will the fundraising strategy broaden the base of institutional support?

### **Review and selection process**

Knowledgeable persons outside NEH will read each application and advise the agency about its merits. NEH staff comments on matters of fact or on significant issues that otherwise would be missing from these reviews, then makes recommendations to the National Council on the Humanities. The National Council meets at various times during the year to advise the NEH chairman on grants. The chairman takes into account the advice provided by the review process and, by law, makes all funding decisions.

## VI. Award Administration Information

### **Award notices**

In early December, approximately seven months after the application deadline, NEH will notify applicants by e-mail whether they will be offered a challenge grant. Applicants may obtain the evaluations of their applications by sending a letter to the Office of Challenge Grants, National Endowment for the Humanities, Room 420, 1100 Pennsylvania Avenue, N.W., Washington, D.C. 20506, or an e-mail message to [challenge@neh.gov](mailto:challenge@neh.gov).

### **Administrative requirements**

More detailed information on eligible gifts and the mechanics of challenge grant administration can be found in the booklet [Administration of NEH Challenge Grants](#), which may be obtained from the NEH website or the Office of Challenge Grants. Applicants should obtain this document if they plan to solicit and collect eligible matching gifts in anticipation of receiving an NEH challenge grant. For a brief overview of important issues involved in administering an NEH challenge grant, see [Challenge Grants Do's and Don'ts](#).

Before submitting an application, applicants should review their [responsibilities as an award recipient](#) and the [lobbying certification requirement](#).

### **Award conditions**

The requirements for awards are contained in the [Administration of NEH Challenge Grants](#), the [General Terms and Conditions for Awards](#) and its [Addendum](#) (see exclusions in Appendix 4 of the Administration of NEH Challenge Grants), the audit requirements of [Office of Management and Budget Circular A-133](#), the [Program-Specific Audit Guide for Recipients of an NEH Challenge Grant](#), and in any specific terms and conditions contained in the offer letter.

### **Reporting requirements**

A schedule of report due dates will be included with the award document.

Interim and final financial and performance reports will be required. Further details can be found in the [Administration of NEH Challenge Grants](#). Reports must be submitted electronically via [eGMS](#), NEH's online grant management system.

A final [Federal Financial Report \(SF-425\)](#) will be due within ninety days after the end of the award period. For further details, please see the [Financial Reporting Requirements](#).

## **VII. Points of Contact**

If you have questions about the program, contact:

Office of Challenge Grants  
National Endowment for the Humanities  
Room 420  
1100 Pennsylvania Avenue, NW  
Washington, DC 20506  
202-606-8309  
[challenge@neh.gov](mailto:challenge@neh.gov)

If you need help using Grants.gov, refer to  
Grants.gov: <http://www.grants.gov/>  
Grants.gov help desk: [support@grants.gov](mailto:support@grants.gov)  
Grants.gov customer support tutorials and manuals:  
[http://www.grants.gov/applicants/app\\_help\\_reso.jsp](http://www.grants.gov/applicants/app_help_reso.jsp)  
Grant.gov support line: 1-800-518-GRANTS (4726)

## VIII. Other Information

### Privacy policy

Information in these guidelines is solicited under the authority of the National Foundation on the Arts and Humanities Act of 1965, as amended, 20 U.S.C. 956. The principal purpose for which the information will be used is to process the grant application. The information may also be used for statistical research, analysis of trends, and Congressional oversight. Failure to provide the information may result in the delay or rejection of the application.

### Application completion time

The Office of Management and Budget requires federal agencies to supply information on the time needed to complete forms and also to invite comments on the paperwork burden. NEH estimates that the average time to complete this application is fifteen hours per response. This estimate includes time for reviewing instructions, researching, gathering, and maintaining the information needed, and completing and reviewing the application.

Please send any comments regarding the estimated completion time or any other aspect of this application, including suggestions for reducing the completion time, to the Chief Guidelines Officer, at [guidelines@neh.gov](mailto:guidelines@neh.gov); the Office of Publications, National Endowment for the Humanities, Washington, D.C. 20506; and the Office of Management and Budget, Paperwork Reduction Project (3136-0134), Washington, D.C. 20503. According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB number.

## APPLICATION CHECKLIST

- ☐ **Verify your institution's registration or register your institution with Grants.gov.** Complete at least two weeks before deadline.
- ☐ **Download the application package from Grants.gov.** The program resource page on NEH's website has a direct link to the package or you can search Grants.gov for this program.
- ☐ **Complete the following forms contained in the Grants.gov application package.**

1. Application for Federal Domestic Assistance - Short Organizational
2. Supplementary Cover Sheet for NEH Grant Programs
3. Project/Performance Site Location(s) Form
4. Attachments Form—Using this form, attach the parts of your application as described in the guidelines:

ATTACHMENT 1: Table of contents (name the file “contents.pdf”)

ATTACHMENT 2: Abstract (name the file “abstract.pdf”)

ATTACHMENT 3: Budget (name the file “budget.pdf”)

ATTACHMENT 4: One-page institutional fact summary (name the file “institutionalsummary.pdf”)

ATTACHMENT 5: Financial summary (name the file financialsummary.pdf”)

ATTACHMENT 6: Narrative (name the file “narrative.pdf”)

ATTACHMENT 7: Lists of trustees and staff (name the file “trusteesstaff.pdf”)

ATTACHMENT 8: Project director’s résumé, and the job descriptions or résumés for any positions being supported (name the file “resume.pdf”)

ATTACHMENT 9: Letters of commitment and support (name the file “letters.pdf”)

ATTACHMENT 10: Optional appendices (name the file “appendices.pdf”)

Your attachments must be in Portable Document Format (.pdf). We cannot accept attachments in their original word processing or spreadsheet formats. If you don’t already have software to convert your files into PDFs, many low-cost and free software packages will do so. You can learn more about converting documents into PDFs [here](#).

**Upload your application to Grants.gov.** NEH **strongly** suggests that you submit your application no later than 5:00p.m. Eastern Time on the day of the deadline. Doing so will leave you time to contact the Grants.gov help desk for support, should you encounter a technical problem of some kind. The Grants.gov help desk is now available seven days a week, twenty-four hours a day (except on [federal holidays](#)), at 1-800-518-4726. You can also send an e-mail message to [support@grants.gov](mailto:support@grants.gov).